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Report Highlights:

2002 marked a turning point in the Korean beef cattle sector. Beef farmers enjoyed the high hanwoo prices and, in response, took steps to increase inventory in 2003. In the meantime, imported chilled beef has enjoyed a bumper year to make up for the shortage in hanwoo beef. However, for pork producers, 2002 was a roller coaster year. Hopes to resume pork exports to Japan in the second quarter of 2002 were battered by outbreaks of FMD in May and hog cholera in October. Since Korean authorities chose to vaccinate against hog cholera, resumption of exports to Japan will not be possible until the end of 2003 at the earliest. This has resulted in high stock levels of unpopular export cuts.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Section I: Situation and Outlook

In 2002, the Korean beef market reached a turning point after full restructuring for a year and a half following the full market liberalization of beef and cattle imports on January 1, 2001. Favorable hanwoo cattle prices throughout this period and increased farmer confidence in hanwoo production prospects prompted farmers to resume increasing herd sizes. The FMD outbreak in May 2002 had little effect on cattle production and consumption, as it was overshadowed by the 2002 FIFA World cup soccer matches held in Korea. Seven cases of BSE in Japan also received little attention in Korea during this period. In October 2002, Australia successfully imported 563 head of black Angus calves for feeding purposes and another 851 head in January 2003. The January shipment is still in quarantine. So far the farmers have not protested as vigorously as they did in April 2001. If the January shipment also clears quarantine without major conflicts, it will be a clear indicator of the prospects for future shipments of live cattle in 2003. However, due to quarantine space, the total number cannot exceed 10,000 head per year.

Uncertainty in the economic situation for 2003 limits prospects for huge increases in meat consumption. This is especially true as Korea is heavily dependent upon the U.S. economic situation as well as oil prices that would be expected to skyrocket if war breaks out in the Middle East. Despite such uncertainty for the economic situation in 2003, Korea is expected to continue to gradually increase meat consumption as they change their dietary pattern from grain/vegetable based to a more meat-based diet. The appreciation of the Korean won value against U.S. dollar is also playing a favorable role in enhancing meat imports.

Korea's decision to allow the freezing of chilled meat as it gets close to the end of its shelf-life has given meat retailers more flexibility in handling more imported chilled meat than in the past. Promotion of chilled beef as well as 'prime' cuts are also attracting favorable interest of consumers for imported beef.

In May 2002, another FMD outbreak occurred shutting out hope of resuming pork exports to Japan after a two-year ban due to the outbreak of FMD in March 2000. Korea chose not to vaccinate the animals to shorten the quarantine period. However, hopes to resume pork exports at the end of 2002 were shattered again by an outbreak of classic swine fever in October 2002. This outbreak has pushed back Korea's plan to resume pork exports until the end of 2003 at the earliest.

Section II: Cattle, Beef, and Veal

Production

Contraction of the national Hanwoo herd halted in 2002. Farmgate prices for live cattle have continued to enjoy record high levels since the liberalization of the beef market on January 1, 2001. The liquidation of the herd in anticipation of a market collapse after liberalization has caused a shortage of domestic beef cattle which in turn has spurred prices. Farmers are expected build inventory in 2003. Increased retention of cows over 2 years old in 2002 indicates rebuilding of the domestic herd is already underway.

Government programs are also encouraging more production. For example, the 2001 Hanwoo Integrated Measures Program activated in the latter half of 2002 has contributed to a slower rate of slaughter, a more stable market, and an increase in the cow/calf ratio.

Australia orchestrated delivery of 563 head of black Angus calves for feeding purpose in October 2002 and another 851 head in January 2003. The cattle delivered in October are being raised at a farm and the animals that arrived in January are undergoing a 15-day quarantine inspection. The total number of live cattle that can come into Korea in one year is under 10,000 head due to lack of quarantine space. Although Australian live cattle exports to Korea will have little impact on total domestic production, they have generated an outcry from domestic producers. In response to live cattle and beef imports, MAF plans to implement the following initiatives to assist production of domestic Hanwoo beef in 2003:

Establishment of Calf Production Base: This program is designed to encourage development of larger farm operations devoted to cow/calf production. In 2003, MAF expanded eligibility for the program by lowering the area requirement from a minimum 20 hectares of grassland to 10. Due to large capital and resource requirements, the project is targeted to grassland farmer cooperatives. The program will provide loans and input subsidies for on-farm construction (barns, etc.), preparation of forage land, procurement of equipments, etc.

Subsidy for Multi-production of Hanwoo Beef Cattle: This program will be terminated at the end of 2003. It is designed to encourage retention of Hanwoo breeding stock using an incentive program based on live-Hanwoo calf births. Under this program producers are paid the following subsidy per Hanwoo calf born to a cow:
third and fourth calf - 150,000 won (about \$128: a drop from 200,000 won in 2002)
Fifth calf - 200,000 won (around \$170: a drop from 300,000 won in 2002).

Also found under the Hanwoo Integrated Measures Program is a sub-program designed to improve the quality of Hanwoo beef. This program provides support (200,000 won or \$150 per head) toward castration of Hanwoo bulls. This program will be terminated after June 30, 2002.

Live-weight prices are expected to remain strong throughout 2003 as the market competes with attractive government programs in a sector carrying a low inventory. In contrast, external factors such as imported live-cattle and beef are not expected to play influential roles in the domestic live cattle market.

Consumption/Utilization/Stocks

The FMD outbreak in May of 2002 did not have a major affect on beef consumption in Korea. The 2002 FIFA World Cup Soccer Match in June put the entire country into a festival mood prompting recovery of the economy and a continued increase in beef consumption in 2002. As the domestic beef could not meet the surge in demand, imported beef filled the gap.

Korea's economy is expected to soften in 2003 and, in turn, domestic beef consumption is expected to stabilize. Budget will encourage the consumers to seek beef that is less expensive than domestic Hanwoo beef. Such consumer attitudes and favorable foreign currency exchange rates have allowed for the introduction of high quality chilled beef. The limited domestic beef supply in 2003 will keep retail prices high making imported chilled beef more attractive to Korean consumers.

The U.S. government continues to work with counterparts in the Korean government reviewing food safety standards with the goal of bringing Korean standards into conformation with international standards and practices. For example, Korean standards controlling marketing of products stored in different physical states (frozen vs. chilled) were removed in 2002. As a result, retailers now have the option of freezing their meat when chilled beef approaches the end of its shelf-life. The option of freezing chilled meat has allowed retailers to carry more high value chilled imported beef.

Competitiveness of imported beef is tied closely to the exchange rate. U.S. product competitiveness diminishes when the Korean won falls to the W1,500/1,600 = U.S.\$1.00 exchange rate range. The current exchange rate is W1,170 = US\$1.00.

Major international suppliers continue to carry out market promotion activities in 2003. In January, USMEF conducted a 10-day promotional campaign on chilled U.S. Choice/Prime Beef at major retail outlets. Its training arm, the Meat Education & Research Center (MERC), continues education programs on U.S. meat quality and cuts, etc. Also in January, the Australian Meat & Livestock Corporation conducted 5 "Clean & Safe Australian Beef" newspaper advertisements, as well as three retail promotions in January. Canada and New Zealand are reported also to be aggressively promoting their products in the Korean market.

Korean language web sites of interest (some contain limited information in English):

Ministry of Agriculture & Forestry: www.maf.go.kr
National Agricultural Products Quality Service: www.naqs.go.kr
National Agricultural Cooperatives Federation: www.nacf.co.kr
Korea Swine Association: www.koreapork.or.kr

The conversion factors used for converting a carcass to a boneless weight is 1.25 for pork, 1.36 for beef.

Section III: Swine and Pork

The swine sector confronted two major obstacles that dashed swine farmers' hopes of resuming pork exports to Japan in 2003. In May 2002, just as Korea had sent the first shipment of pork to Japan, there was an outbreak of Foot & Mouth Disease (FMD). This was the first case since eradication of the first outbreak in 2000. Since the outbreak was confined to a few selective areas, Korea chose not to vaccinate the animals against FMD. The success of the eradication program and avoidance of vaccination enabled Korea to declare itself as free from FMD during the OIE meeting in October 2002. However, on October 7, 2002, there was an outbreak of classic swine fever (CSF) in a remote island. The diseases soon spread to the mainland. Korean authorities decided to vaccinate animals against classic swine fever. As a result of using vaccination to eradicate CSF, pork exports to Japan will be precluded throughout 2003. Small amounts of Korean pork will likely be exported to Russia and the Philippines.

Pork production which had been expected to supply the export market ended up in stocks and was carried over into 2003. As Korea prepares for resumption of exports in late 2003/early 2004, we expect to see high stock levels up to the end of 2003. Since most of the export cuts that go into stocks are cuts unpopular in Korea, such stocks are only likely to be substantially dropped through resumption of exports to the Japanese market.

The enhanced price advantage of imported pork resulting from the appreciation of the Korean currency against U.S. dollars will be diminished by abundant domestic supply. However, even with high inventory levels, Korea will need to continue to import specialty cuts, such as pork bellies and boston butts.

Herd expansion is projected to wane in 2003 as the economy softens and as the oversupply of pork production that was driven in anticipation for resumption of exports ends up in stocks. Small sized farms growing 1 - 4 head of swine contributed substantially to increased inventory. As pork prices begin to drop due to oversupply, these farmers can easily and are likely to move out of production. Such restructuring will continue throughout 2003 until the last quarter of 2003 when Korea again prepares to resume pork exports to Japan.

The Ministry of Agriculture & Forestry assistance to the swine sector in 2003 includes the following programs:

Support for Assay Testing: This program is designed to encourage swine farmers to participate in a national assay testing program to improve the genetics of Korean swine and to prepare for the reopening of the export market to Japan. The program provides 3,200 won/head (\$2.74) for a third-party assay test, and 2,300 won/head (\$1.97) for a self-administered assay test. The program also provides 25,000 won/head (around \$21) for breeding boars that are tested and 8,500 won (\$7.26) per head for PSS genetic tests. For 2003, the program budget is 584.5 million won (approximately \$500,000), targeting 46,100 head of swine.

Loan for procurement of raw ingredient pork: This government loan program provides low interest loans to meat processors to procure pork for processing. Loan terms include an interest rate set at 4 percent per annum and a balloon payment on maturity (i.e., one year loan). For 2003, the program budget is 37,590 million won (about \$32 million), targeting a total of 300,000 head of swine.

Fund for Production of Standard Swine (export grades): The loss of export markets after the FMD outbreak in 2000 resulted in MAF discontinuation that year of the direct payment program for export grade swine. Presently, MAF

provides production loans to farmers supplying swine to export firms. Loan terms include an interest rate set at 4 percent per annum and a balloon payment on maturity (i.e., one year loan). For 2003, the program budget is 29,280 million won (around \$25 million) targeting 732,000 heads.

Under a separate program, in 2003 the Korea Swine Association (KSA) plans to accumulate a total of 5,336 million won (about \$4.56 million) under a check-off program. The funds collected through the check-off program will be used in promoting pork consumption.

Korean language web sites of interest (some contain limited information in English):

Ministry of Agriculture & Forestry: www.maf.go.kr
National Agricultural Products Quality Service: www.naqs.go.kr
National Agricultural Cooperatives Federation: www.nacf.co.kr
Korea Swine Association: www.koreapork.or.kr

The conversion factors used for converting a carcass to a boneless weight is 1.25 for pork, 1.36 for beef.

Section IV: Statistical Tables: Cattle and Beef

PSD: Cattle

PSD Table						
Country	Korea, Republic of					
Commodity	Animal Numbers, Cattle				(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Total Cattle Beg. Stks	2134	2134	1954	1954	1950	1954
Dairy Cows Beg. Stocks	307	307	312	312	308	305
Beef Cows Beg. Stocks	593	593	532	532	550	532
Production (Calf Crop)	554	554	601	638	627	647
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	1	1	1	5
TOTAL Imports	1	1	1	1	1	5
TOTAL SUPPLY	2689	2689	2556	2593	2578	2606
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Cow Slaughter	369	369	305	313	310	315
Calf Slaughter	0	0	0	0	0	0
Other Slaughter	360	360	295	320	310	325
Total Slaughter	729	729	600	633	620	640
Loss	6	6	6	6	6	6
Ending Inventories	1954	1954	1950	1954	1952	1960
TOTAL DISTRIBUTION	2689	2689	2556	2593	2578	2606
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD: Beef

PSD Table						
Country	Korea, Republic of					
Commodity	Meat, Beef and Veal				(1000 MT CWE)(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Slaughter (Reference)	729	729	600	633	620	640
Beginning Stocks	79	79	25	25	10	41
Production	221	221	180	192	190	190
Intra EC Imports	0	0	0	0	0	0
Other Imports	246	210	390	375	420	380
TOTAL Imports	246	210	390	375	420	380
TOTAL SUPPLY	546	510	595	592	620	611
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Human Dom. Consumption	521	485	585	551	610	568
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	521	485	585	551	610	568
Ending Stocks	25	25	10	41	10	43
TOTAL DISTRIBUTION	546	510	595	592	620	611
Calendar Yr. Imp. from U.S.	138	118	205	238	210	242
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Korea: Beef Imports (2001 - 2002)

Country	2001	2002
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	103,197	205,000
Australia	57,543	84,800
Canada	7,685	14,100
New Zealand	10,248	18,500
Uruguay	1,646	0
Others	311	150
TOTAL	180,630	322,550

Source: Korea Customs Service, Office of Ag. Affairs
Product Weight Equivalent

Korea: Beef Imports (Annual 2001, First Eleven Months of 2001 and 2002)

(Unit: MT&\$000)

Country	Annual 2001		Jan. - Nov., 2001		Jan. - Nov., 2002	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	103,197	320,122	89,979	280,872	182,899	537,716
Australia	57,543	122,272	50,401	104,427	75,685	168,037
Canada	7,685	19,864	6,930	17,716	12,609	29,249
New Zealand	10,248	21,645	9,120	19,077	16,468	36,135
Uruguay	1,646	2,984	1,646	2,984	0	0
Japan	208	207	208	207	0	0
Other	103	199	121	307	101	284
TOTAL	180,630	487,293	158,405	425,590	287,762	771,421

Source: Korea Customs Service, Product Weight Equivalent

Korea: Processed Beef Imports (Annual 2001, First Eleven Months of 2001 and 2002)

(Unit: MT&\$000)

Country	Annual 2001		Jan. - Nov., 2001		Jan. - Nov., 2002	
	Volume	Value	Volume	Value	Volume	Value
U.S.A.	57	188	57	188	11	106
Australia	14	35	14	35	5	13
PRC	86	32	68	26	80	34
Canada	0	0	0	0	6	39
Other	21	28	5	25	9	22
TOTAL	178	283	144	274	111	214

Source: Korea Customs Service, Product Weight Equivalent (HS 021020 and 160250)

Exports of processed beef products were minimal. Korea exported a total of 12 metric tons in 2001, compared to 7 metric tons for total 2000. Exports during the first eleven months of 2002 reached 18 metric tons.

Korea: Cattle Slaughter Trend

Month/Year	Total	Cows	Steers
	(Heads slaughtered)		
Total 1997	1,125,281	573,954	551,327
Total 1998	1,282,290	643,266	639,024
Total 1999	1,096,207	614,325	481,882
Total 2000	997,331	547,745	449,586
Total 2001	729,245	369,039	360,206
Total 2002	633,024	313,466	319,558
January, 2002	61,945	30,279	31,666
February, 2002	56,998	27,340	29,658
March, 2002	39,807	20,137	19,670
April, 2002	47,563	23,791	23,772
May, 2002	52,528	28,186	24,342
June, 2002	48,553	27,514	21,039
July, 2002	45,442	21,950	23,492
August, 2002	53,205	24,804	28,401
September, 2002	73,843	33,651	40,192
October, 2002	47,501	24,142	23,359
November, 2002	50,943	25,073	25,870
December, 2002	54,696	26,599	28,097

Source: Ministry of Agriculture & Forestry.

Korea: Live Hanwoo Beef Cattle Prices

(Won per head, US\$1=1,170 won)

Month/Year	Calf		500 Kg	
	Female	Male	Female	Male
1999 Average	774,000	1,024,000	2,401,000	2,488,000
2000 Average	1,103,000	1,294,000	2,872,000	2,752,000
2001 Average	1,729,000	1,785,000	3,514,000	3,245,000
2002 Average	2,306,000	2,288,000	4,236,000	3,927,000
June, 2001	1,731,000	1,732,000	3,120,000	2,715,000
July, 2001	1,855,000	1,855,000	3,373,000	3,034,000
August, 2001	1,847,000	1,876,000	3,649,000	3,344,000
September, 2001	1,888,000	1,931,000	3,857,000	3,585,000
October, 2001	1,975,000	2,044,000	4,030,000	3,953,000
November, 2001	2,098,000	2,165,000	4,539,000	4,618,000
December, 2001	1,978,000	2,098,000	4,565,000	4,531,000
January, 2002	1,973,000	2,098,000	4,467,000	4,252,000
February, 2002	2,061,000	2,150,000	4,304,000	3,964,000
March, 2002	2,094,000	2,134,000	4,048,000	3,449,000
April, 2002	2,057,000	2,079,000	3,864,000	3,209,000
May, 2002	2,146,000	2,163,000	4,003,000	3,426,000
June, 2002*	2,169,000	2,118,000	4,074,000	3,300,000
July, 2002	2,325,000	2,315,000	4,050,000	3,652,000
August, 2002	2,360,000	2,319,000	4,117,000	3,869,000
September, 2002	2,422,000	2,367,000	4,144,000	4,026,000
October, 2002	2,530,000	2,437,000	4,219,000	4,246,000

November, 2002	2,551,000	2,471,000	4,572,000	4,419,000
December, 2002	2,520,000	2,452,000	4,571,000	4,300,000

Source: Ministry of Agriculture & Forestry, National Agricultural Cooperatives Federation

* Represents partial average, due to closure of some cattle markets because of the FMD outbreak.

Korea: Hanwoo Cattle Inventory

(1,000 Household, 1,000 Head)

Month/ Year	House- hold	Total Stock	By Age			Cow	
			Under 1 year old	1-2 year old	Over 2 year old	1-2 year old	Over 2 year old
Sep. '97	482	2,880	1,191	528	1,161	277	1,146
Dec. '97	465	2,735	1,102	535	1,098	275	1,082
Mar. '98	474	2,762	1,043	580	1,139	300	1,118
Jun. '98	466	2,750	1,058	588	1,104	305	1,082
Sep. '98	450	2,633	1,015	585	1,033	306	1,013
Dec. '98	427	2,383	895	556	932	296	913
Mar. '99	413	2,198	812	503	883	276	862
Jun. '99	399	2,167	801	512	854	280	834
Sep. '99	372	2,094	758	520	816	272	794
Dec. '99	350	1,952	717	489	746	256	726
Mar. '00	336	1,819	646	461	712	239	690
Jun. '00	326	1,801	666	434	701	215	678
Sep. '00	305	1,713	642	412	659	199	639
Dec. '00	290	1,590	589	390	611	188	593
Mar. '01	267	1,476	540	361	575	172	556
Jun. '01	260	1,507	544	383	580	178	562
Sep. '01	247	1,485	544	370	571	171	552
Dec. '01	235	1,406	506	351	549	163	532

Month/ Year	House- hold	Total Stock	By Age			Cow	
Mar. '02	227	1,371	499	328	544	149	525
Jun. '02	224	1,448	558	324	566	146	546
Sep. '02	218	1,461	557	335	569	144	546
Dec. '02	212	1,410	521	335	554	146	532

Source: National Agricultural Quality Service

Note: Total animal numbers may not add up, due to rounding.

Korea: Hanwoo Cattle - Cow/Calf Ratio

(1,000 Head)

Month/Year	Calf (under 1 year)	Cow (Over 1 year)	Ratio (%)
Mar. '97	1,109	1,480	74.9
Jun. '97	1,215	1,484	81.9
Sep. '97	1,191	1,423	83.7
Dec. '97	1,102	1,357	81.2
Mar. '98	1,043	1,418	73.6
Jun. '98	1,058	1,387	76.3
Sep. '98	1,015	1,319	77.0
Dec. '98	895	1,209	74.0
Mar. '99	812	1,138	71.4
Jun. '99	801	1,114	71.9
Sep. '99	758	1,066	71.1
Dec. '99	717	982	73.0
Mar. '00	646	929	69.5
Jun. '00	666	893	74.6
Sep. '00	642	838	76.6
Dec. '00	589	781	75.4
Mar. '01	540	728	74.2

Month/Year	Calf (under 1 year)	Cow (Over 1 year)	Ratio (%)
Jun. '01	544	740	73.5
Sep. '01	544	723	75.2
Dec. '01	506	695	72.8
Mar. '02	499	674	74.0
Jun. '02	558	692	80.6
Sep. '02	557	690	80.7
Dec. '02	521	678	76.8

Source: National Agricultural Quality Service

Korea: Cattle/Beef Tariff Table for CY2003

(N: In-quota / M: Out-of-quota)

Tariff Number	Product Description	WTO Bound Rate	Current Applied Rate	Other Info.
0102.10.1000	Pure-bred breeding milch cow	N: 0 M: 90.1%	N: 0 M: 90.1%	Total In-quota amounts for these three HS numbers are 1,020 heads.
0102.10.2000	Pure-bred breeding beef cattle	N: 0 M: 90.1%	N: 0 M: 90.1%	
0102.10.9000	Pure-bred breeding - other	N: 0 M: 90.1%	N: 0 M: 90.1%	
0102.90.1000	Other milch cow	40.5 %	40.5 %	Import was liberalized on Jan. 1, 2001.
0102.90.2000	Other beef cattle	40.5 %	40.5 %	
0102.90.9000	Other	0	0	
0201.00.0000	Beef (Fresh or chilled)			
0201.10.0000	Carcass and half-carcass	40.5 %	40.5 %	Import was liberalized on Jan. 1, 2001.
0201.20.0000	Other cuts with bone in	40.5 %	40.5 %	
0201.30.0000	Boneless	40.5 %	40.5 %	
0202.00.0000	Beef (Frozen)			

0202.10.0000	Carcass and half-carcass	40.5 %	40.5 %	Import was liberalized on Jan. 1, 2001.
0202.20.0000	Other cuts with bone in	40.5 %	40.5 %	
0202.30.0000	Boneless	40.5 %	40.5 %	
0206.10.0000	Beef offal (Fresh or chilled)	18.2 %	18.2 %	
0206.20.0000	Beef offal (Frozen)			
0206.21.0000	Tongues	18.6 %	18.6 %	
0206.22.0000	Livers	18.6 %	18.6 %	
0206.29.0000	Other			
0206.29.1000	Tails	18.2 %	18.2 %	
0206.29.2000	Feet	18.2 %	18.2 %	
0206.29.9000	Other	18.2 %	18.2 %	
0210.20.0000	Meat & edible meat offal of bovine animals, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal of bovine animals			
0210.20.1000	Dried or smoked	27.3%	27.3%	
0210.20.9000	Other	27.3%	27.3%	
1602.50.0000	Other prepared or preserved meat, meat offal or blood, of bovine animals			
1602.50.1000	In airtight containers	72.8%	72.8%	
1602.50.9000	Other	72.8%	72.8%	

Source: Korea Customs and Trade Institute

N: in-quota rate; M: out-quota rate.

Section V: Statistical Data: Swine and Pork

PSD for Swine

PSD Table						
Country	Korea, Republic of					
Commodity	Animal Numbers, Swine				(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
TOTAL Beginning Stocks	7350	7350	7856	7856	7951	8110
Sow Beginning Stocks	912	912	955	955	961	955
Production (Pig Crop)	15029	15029	15894	15906	16348	17329
Intra EC Imports	0	0	0	0	0	0
Other Imports	1	1	1	1	1	1
TOTAL Imports	1	1	1	1	1	1
TOTAL SUPPLY	22380	22380	23751	23763	24300	25440
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Sow Slaughter	0	0	0	0	0	0
OTHER SLAUGHTER	14324	14324	15500	15338	16100	16890
Total Slaughter	14324	14324	15500	15338	16100	16890
Loss	200	200	300	315	200	350
Ending Inventories	7856	7856	7951	8110	8000	8200
TOTAL DISTRIBUTION	22380	22380	23751	23763	24300	25440
Calendar Yr. Imp. from U.S.	1	1	1	1	1	1
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

PSD for Pork

PSD Table						
Country	Korea, Republic of					
Commodity	Meat, Swine				(1000 MT CWE)(1000 HEAD)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		01/2001		01/2002		01/2003
Slaughter (Reference)	14324	14324	15500	15338	16100	16890
Beginning Stocks	120	120	120	120	120	213
Production	1077	1077	1161	1153	1200	1270
Intra EC Imports	0	0	0	0	0	0
Other Imports	123	123	145	151	150	160
TOTAL Imports	123	123	145	151	150	160
TOTAL SUPPLY	1320	1320	1426	1424	1470	1643
Intra EC Exports	0	0	0	0	0	0
Other Exports	42	41	20	14	55	40
TOTAL Exports	42	41	20	14	55	40
Human Dom. Consumption	1158	1159	1286	1197	1325	1240
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	1158	1159	1286	1197	1325	1240
Ending Stocks	120	120	120	213	90	363
TOTAL DISTRIBUTION	1320	1320	1426	1424	1470	1643
Calendar Yr. Imp. from U.S.	15	15	15	18	16	20
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Korea: Pork Imports (2001 - 2002)

Country	2001	2002
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
U.S.A.	11,794	14,400
Canada	28,006	36,400
Denmark	15,768	18,300
Hungary	10,649	14,000
Belgium	10,393	20,000
Netherlands *	6,099	2,300
France *	5,545	23
Austria	2,623	4,500
Australia	2,231	2,700
Finland	2,099	2,200
Poland	1,256	1,500
United Kingdom *	748	0
Sweden	575	1,200
Ireland *	111	0
Mexico	69	300
Others	300	2,812
TOTAL	98,266	120,635

Source: Korea Customs Service, Ag Affairs

Note: * Countries not recognized as FMD-free.

Korea: Pork Imports (Annual 2001, First Eleven Months of 2001 and 2002)

Country	Annual 2001		Jan. - Nov., 2001		Jan. - Nov., 2002	
	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)
U.S.A.	11,794	11,556	10,544	10,490	13,479	14,167
Canada	28,006	22,521	25,480	20,648	34,493	27,926
Denmark	15,768	31,536	14,316	29,007	17,292	32,029
Hungary	10,649	23,577	9,770	21,410	13,280	30,585
Belgium	10,393	28,467	9,032	25,189	18,909	50,346
Netherlands	6,099	14,675	6,100	14,675	2,211	5,908
France	5,545	15,802	5,500	15,664	23	74
Austria	2,623	7,028	2,381	6,325	4,226	10,636
Australia	2,231	4,434	1,957	4,010	2,572	4,416
Finland	2,099	6,259	1,923	5,719	2,064	5,978
Poland	1,256	3,002	1,122	2,689	1,385	3,212
United Kingdom	748	657	747	658	0	0
Sweden	575	1,209	459	979	1,183	2,185
Ireland	111	96	111	96	0	0
Mexico	69	117	0	0	224	393
Chile	0	0	0	0	2,739	5,376
Others	300	625	320	647	182	344
TOTAL	98,266	171,561	89,762	158,206	114,262	193,575

Source: Korea Customs Service, Product Weight Equivalent, H.S. Code: 0203

Korea: Pork Exports (2001 - 2002)

Country	2001	2002
	Revised	Preliminary
	(In metric tons, product weight equivalent)	
Russia	21,450	5,000
Philippine	10,663	5,800
Hong Kong	519	100
Thailand	260	300
Others	237	100
TOTAL	33,129	11,300

Source: Korea Customs Service, Office of Ag. Affairs

Korea: Processed Pork Imports (Annual 2001, First Eleven Months of 2001 and 2002)

Country	Annual 2001		Jan. - Nov., 2001		Jan. - Nov., 2002	
	Volume	Value	Volume	Value	Volume	Value
	In metric tons and \$000, Product Weight Equivalent					
U.S.A.	236	819	209	722	289	986
PRC	105	127	87	105	150	193
Australia	1	22	1	22	1	13
Canada	0	0	0	0	4	31
Netherlands	0	0	0	0	18	33
Other	1	13	1	13	0	0
TOTAL	343	981	298	862	462	1,256

Source: Korea Customs Service, Product Weight Equivalent (HS 0210.1, 1602.41, 1602.42)

Korea: Processed Pork Exports (Annual 2001, First Eleven Months of 2001 and 2002)

Country	Annual 2001		Jan. - Nov., 2001		Jan. - Nov., 2002	
	Volume	Value	Volume	Value	Volume	Value
	In metric tons and \$000, Product Weight Equivalent					
U.S.A.	0	0	0	0	0	0
Philippine	349	484	325	471	189	60
Japan	81	545	76	501	69	555
Brazil	18	35	18	35	0	0
Congo	0	0	0	0	7	46
Georgia	0	0	0	0	44	78
TOTAL	448	1,064	419	1,007	309	739

Source: Korea Customs Service, Product Weight Equivalent (HS 0210.1, 1602.41, 1602.42)

Korea: Pork Exports (Annual 2001, First Eleven Months of 2001 and 2002)

Country	Annual 2001		Jan. - Nov., 2001		Jan. - Nov., 2002	
	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)	Volume (MT)	Value (\$000)
U.S.A.	0	0	0	0	0	0
Russia	21,450	27,475	20,567	26,199	4,671	6,684
Philippine	10,663	11,703	10,201	11,263	5,540	4,077
Hong Kong	519	673	487	630	22	18
Thailand	260	44	237	42	272	42
Bulgaria	69	128	69	128	0	0
Malaysia	69	43	0	0	0	0
Australia	49	33	49	33	0	0
Japan	5	13	0	0	0	0
Others	45	79	51	93	64	196
Total	33,129	40,191	31,661	38,388	10,569	11,017

Source: Korea Customs Service, Product Weight Equivalent, H.S. Code 0203.

Korea: Swine Slaughter Trend

Month	2000	2001	2002
	Unit: Heads		
January	1,115,356	1,100,339	1,288,045
February	908,188	1,085,728	1,141,435
March	1,119,417	1,248,553	1,284,482
April	1,075,654	1,153,402	1,273,950
May	1,118,601	1,130,087	1,170,900
June	990,358	1,063,974	1,138,994
July	974,584	1,074,254	1,228,207
August	1,105,776	1,207,573	1,319,857
September	1,068,171	1,274,895	1,251,483
October	1,295,891	1,332,652	1,459,689
November	1,324,068	1,364,433	1,423,719
December	1,196,988	1,288,381	1,357,671
TOTAL	13,293,052	14,324,271	15,338,432

Source: Ministry of Agriculture & Forestry

Korea: Live Swine Prices

(Unit: Won per head; Exchange rate is US\$1=1,170 won)

Annual Live Swine Prices				
Year	Piglet		Swine (100 Kg)	
1995	49,000		155,000	
1996	48,000		171,000	
1997	53,000		171,000	
1998	50,000		179,000	
1999	59,000		199,000	
2000	54,000		166,000	
2001	55,000		174,000	
2002	59,000		178,000	
Monthly Live Swine Prices				
Month \ Year	Piglet		Swine (100 Kg)	
	2001	2002	2001	2002
January	48,000	60,000	155,000	188,000
February	48,000	61,000	152,000	187,000
March	49,000	62,000	156,000	189,000
April	52,000	65,000	178,000	206,000
May	61,000	68,000	203,000	209,000
June	64,000	69,000	208,000	217,000
July	63,000	65,000	195,000	187,000
August	59,000	57,000	185,000	157,000
September	57,000	51,000	171,000	139,000
October	51,000	49,000	142,000	137,000
November	53,000	50,000	162,000	153,000
December	59,000	52,000	187,000	155,000

Source: National Agricultural Cooperatives Federation

Korea: Swine/Pork Tariff Table for CY2003

Tariff Number	Product Description	WTO Bound Rate	Current Applied Rate	Other Info.
0103.10.0000	Pure-bred breeding swine	N: 0 M: 18.6 %	N: 0 M: 18.6 %	In-quota amount is 1,768 heads.
0103.90.0000	Other swine			
0103.91.0000	Weighting, less than 50 kg	18.6%	18.6 %	
0103.92.0000	Weighting, 50 kg or more	18.6%	18.6%	
0203.10.0000	Pork (Fresh or chilled)			
0203.11.0000	Carcass and half-carcass	23.2 %	23.2 %	
0203.12.0000	Hams, shoulders and cuts, with bone in	23.2 %	23.2 %	
0203.19.1000	Belly	23.2 %	23.2 %	
0203.19.9000	Others	23.2 %	23.2 %	
0203.20.0000	Pork (Frozen)			
0203.21.0000	Carcass and half-carcass	26.2 %	26.2 %	
0203.22.0000	Hams, shoulders and cuts, with bone in	26.2 %	26.2 %	
0203.29.1000	Belly	26.2 %	26.2 %	
0203.29.9000	Others	26.2 %	26.2 %	
0206.30.0000	Pork offal (Fresh or chilled)	18.6 %	18.6 %	
0206.40.0000	Pork offal (Frozen)			
0206.41.0000	Liver	18.6 %	18.6 %	
0206.49.1000	Feet	18.6 %	18.6 %	
0206.49.9000	Others	18.6 %	18.6 %	

0206.80.0000	Other offal (Fresh/chilled)	18.6 %	18.6 %	
0206.90.0000	Other offal (Frozen)	18.6 %	18.6 %	
0210.10.0000	Meat & edible meat offal of swine, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal of swine			
0210.11.0000	Hams, shoulders and cuts thereof, with bone-in	26.2%	26.2%	
0210.12.0000	Bellies (streaky) and cuts thereof	32.5%	32.5%	
0210.19.0000	Other	26.2%	26.2%	
1602.40.0000	Other prepared or preserved meat, meat offal or blood, of swine			
1602.41.1000	Hams and cuts thereof in airtight contains	54.6%	54.6%	
1602.41.9000	Hams and cuts thereof, other	30.3%	30.3%	
1602.42.1000	Shoulders and cuts thereof in airtight contains	54.6%	54.6%	
1602.42.9000	Shoulders and cuts thereof, other	30.3%	30.3%	

Source: Korea Customs and Trade Institute

N: in-quota rate; M: out-quota rate.